

Foothill Transit Executive Board

MINUTES

The regular meeting of the Foothill Transit Executive Board was held Friday, October 24, 2008, at the Foothill Transit Board Room, 2nd Floor, 100 South Vincent Avenue, West Covina.

President Delach called the meeting to order at 9:55 a.m. The following members were present, constituting a quorum of the Executive Board:

Peggy Delach, President
Michael De La Torre, Vice President
Roger Chandler
Paula Lantz
Lola Storing

Staff and Guests present:

Doran Barnes, Executive Director
Kevin McDonald, Deputy Executive Director
Ed Gill, Legal Counsel
Darold Pieper, General Counsel
Lee Millen, Deputy Secretary
David Reyno, Director of Government Relations
Dietter Aragon, Planning Manager
Araceli Lopez, Transit Store Operations Manager
Richard Hasenohrl, Director of Finance
Wayne Fritz, General Manager
Peter Greenberg, General Manager
Nick Pomponas, Sr. Vice President, First Group
Kevin Holmes, Vice President, Reporting & Accounting
Doug Tessitor, City of Glendora
Corey Calaycay, City of Claremont
Marylou Echternach, Metro Deputy to John Fasana
Jan Powell, Baker Donnelson
Stephanie Wiggins, Congestion Pricing Demonstration Initiative Project Manager
Scott Page, Service Development Manager, San Gabriel Valley Sector

PLEDGE OF ALLEGIANCE

President Delach led those present in the Pledge of Allegiance.

APPROVAL OF MINUTES FOR THE REGULAR MEETING OF SEPTEMBER 26, 2008

The minutes listed above were approved as submitted.

Motion: Member Storing, seconded by Vice President De La Torre
Vote: Unanimously carried

PRESENTATIONS:

5.1 Contractors' Employee Recognition

Wayne Fritz, General Manager, introduced and recognized the Arcadia location MV Transportation Operator & Employee of the Month: Prudencio Molina, Operator of the Month – Mr. Molina has scored numerous Perfect Ride checks during his nine years with Foothill Transit, and has also been awarded with an Acknowledgement in Customer Services and a Certificate of Appreciation for assisting in the “9/11 Transportation of Commuters Out of Los Angeles Effort”; and Damien Wilburn, Employee of the Month – Mr. Wilburn is a dispatcher with Foothill Transit for the past eight years. He has scored a Perfect Ride check and enjoys the teamwork on the job, and has been a very valuable and helpful co-worker.

Peter Greenberg, General Manager, introduced and recognized the Pomona location First Transit Operator of the Month: Winston Kilkenny, Operator of the Month – Mr. Kilkenny has scored six Perfect Ride checks and has only had one accident during 11 years of service with Foothill Transit; and Jerry Stewart, Employee of the Quarter – Mr. Stewart has overseen the Hollywood Bowl project and has developed databases that has been of great benefit to operations.

The Executive Board commended the awardees.

PUBLIC COMMENT

Nick Promponas, Senior Vice President, First Transit Group acknowledged the fine work MV employees are doing, and commended Peter Greenberg for his outstanding leadership rendered. Kevin Holmes, Vice President of Reporting & Accounting, offered his cooperative support to Foothill Transit. Doran Barnes, Executive Director, thanked Mr. Holmes for providing ongoing assistance and expertise.

President Delach acknowledged Councilman Doug Tessitor, City of Glendora, Councilman Corey Calaycay, City of Claremont, and Mary Lou Echternach, Metro Deputy to John Fasana.

CONSENT CALENDAR:

The Executive Board adopted Consent Calendar items 7 and 9, and pulled Item number 8 for further discussion.

Motion: Member Chandler, seconded by Vice President De La Torre
Vote: Unanimously carried

WEST COVINA PARK AND RIDE UPDATE

Andrea Urbas, Director of Facilities, reported that there has been considerable progress since the last report submitted to the Executive Board on June, 2008. The Federal Transportation Authority (FTA), the funding partner on the project, completed their review of the draft Environmental Assessment (EA) report and filed a Funding of No Significant Impact (FONSI). As requested by the FTA, the FONSI is currently posted on the Foothill Transit website and will remain there through completion of the project.

Ms. Urbas presented six (6) design options for the remodeling of the Tower Parking Structure. The options included awnings placed in differently proposed locations and made of varying materials. Discussion ensued on preferred options. The most popular option was Option 2, which modifies the parking tower with vertical lines so to appear similar to surrounding building structures. Modifications proposed by Option 2 also include:

- The addition of awnings on the 1st parking level;
- Different colorations to each level; and
- The introduction of art panels, which can be changed periodically

The Executive Board received and filed the West Covina Park and Ride Update. Doran Barnes advised that he will take the design options to the City of West Covina for their input.

Motion: Member Storing, seconded by Vice President De La Torre
Vote: Unanimously carried

REGULAR AGENDA:

2008 LEGISLATION SUMMARY

David Reyno, Director of Government Relations, reported that AB1709 bill was chaptered, which exempts transit agencies from the Utility Users Tax. Assemblymen Bob Huff, Ed Hernandez, and Senator Bob Margett were instrumental in its passage. There are no recommended positions on bills this month. Mr. Reyno introduced Janet Powell of the law firm of Baker Donnelson, Foothill Transit's federal advocate.

Janet Powell provided a brief update on legislation for public transportation in the past Fiscal Year. The Appropriations Bill for FY 2009 did not get completed, including the request for \$5 million for the procurement of CNG buses. FY 2009 bills will be placed as a Continuing Resolution for consideration in FY 2010, and have a completion date of March 6, 2009.

When Governor Schwarzenegger signed the 2008-09 State Budget it included a \$100 million reduction in the State Transit Assistance (STA) program. Nearly \$1.7 billion of traditional public transportation dollars were diverted to pay General Fund Expenditures.

The following is a summary of the budget impacts on public transportation:

- Provides \$306 million for STA
- Protects Proposition 42, which accounts for \$213 million of STA funding

- Allocates \$60 million as a loan from the Traffic Congestion Relief Fund to keep the Public Transportation Account (PTA) solvent
- Doesn't provide any funding for transit capital projects in the State Transportation Improvement Program (STIP)
- Appropriates \$350 million for the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) program (Proposition 1B)
- Appropriates \$101 million for the Transit System Safety Security and Disaster Response Account (TSSSDRA) (Proposition 1B Security Funds)
- Provides \$122 million for intercity rail operations
- Allows 2007-08 STA disbursements for the 3rd and 4th Quarters to be made by the Controller

David Reyno and Darold Pieper will assist in advising the new federal appointed officials on the DOT and FTA on issues that concern Foothill Transit. Congress has been very responsive to Foothill Transit's needs due to a strong advocacy representation.

Member Lantz inquired regarding the Demonstration Project for Federal highway funds in San Gabriel which was discussed a few months ago. Ms. Powell advised that this issue may be reconsidered, however, no action has been taken to date. Legislation is not carried over when Congress adjourns and needs to be reintroduced when they reconvene.

Following discussion, the Executive Board received and filed the October 2008 Legislation Summary.

Motion: Member Lantz, seconded by Member Storing
Vote: Unanimously carried

FEDERAL TRANSPORTATION AUTHORIZATION PROGRAM PRINCIPALS

David Reyno, Director of Government Relations, reported on Foothill Transit's Federal Reauthorization Program. On August 10, 2005, the President signed into law the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). This legislation provided guaranteed funding for highways, highway safety and public transportation totaling \$244.1 billion and represented the largest surface transportation investment in our nation's history.

SAFTEA-LU is scheduled to sunset in FY 2009 and the American Public Transportation Association (APTA) has been working for almost two years on draft recommendations for the new authorization bill. The California transit Association (CTA) has also developed a draft of their authorization principles. The budget impact will not be known until the new federal legislation is approved by Congress and signed into law by the President.

The Executive Board approved Foothill Transit's Federal Reauthorization Program for 2009.

Motion: Member Chandler, seconded by Vice President De La Torre
Vote: Unanimously carried

INTERNSHIP PROGRAM

Darold Pieper, General Counsel, requested that the Executive Board consider entering into an agreement with Veolia Transportation to provide two interns to Foothill Transit at an annual cost of \$31,200. The internships would be provided to Foothill Transit at a cost of \$15 per hour, which would cover wages, administration, recruitment, payroll taxes, workers compensation insurance, and other benefits. The total annual cost to Foothill transit for two part-time interns would be \$31, 200.

Foothill Transit has participated in a program over the last few years with Transportation Foundation of Los Angeles (TFLA) to provide talented and motivated university students with the opportunity to work in the transit industry as interns. The goal of the program has been to give college students first-hand exposure to the industry who can contribute to the industry immediately upon entering the job market on a full-time basis.

TFLA has had difficulty providing sufficient interns to address Foothill Transit's needs in the Planning and Facilities (Special Projects) areas, and has been able to work with only three individuals since the inception of the program approximately four years ago. Veolia is very experienced in transit education and believes that it can be successful in identifying and recruiting additional qualified intern candidates.

Through Veolia, the students will be screened and provided with oversight of their work activities. To participate, students would need to be beyond their sophomore year in college or a graduate student and must have a GPA above 3.0.

The internships would be provided to Foothill Transit at a cost of \$15 per hour, which covers wages, administration, recruitment, payroll taxes, workers compensation insurance, and other benefits. The total annual cost to Foothill Transit for two part-time interns would be \$31,200.

The Executive Board authorized entering into an agreement with Veolia Transportation to provide two interns to Foothill Transit at an annual cost of \$31,200.

Motion: Vice President De La Torre, seconded by Member Storing
Vote: Unanimously carried

CONGESTION PRICING DEMONSTRATION INITIATIVE

David Reyno, Director of Government Relations, reported that Foothill Transit is scheduled to receive \$8.5 million in capital funding for ten additional buses that will operate along Interstate Highway 10. The demonstration project also includes \$3.2 million in operating funds. Project implementation is expected in late 2010. He introduced Stephanie Wiggins, Congestion Pricing Demonstration Initiative Project Manager, and Scott Page, Service Development, San Gabriel Valley Sector.

Mary Lou Echternach, Metro Deputy to John Fasana, requested a study on the drafting of a congestion pricing grant on Interstate Highway 10 and State Route 110. Originally Interstate Highway 210 was slated for HOT Lane implementation, but local political challenges required

former State Assembly Speaker Fabian Nunez to remove the I-210 and replace it with the I-110.

Stephanie Wiggins, Congestion Pricing Demonstration Initiative Project Manager, reported on the legislation passage in September and how it affects San Gabriel Valley and Foothill Transit. The El Monte Busway Tolls only affect motorists who choose not to rideshare during rush hour. A significant amount of grant funding will allow the building of transit facilities in the San Gabriel Valley. A bus access to Patsouras Plaza will now be possible, construction of additional parking at the Pomona Metrolink train station, ten additional buses in addition to the buses on order for the Demonstration Project.

Scott Page, Service Development Manager, San Gabriel Valley Sector, reported on the Dual Hub, which joins two Lines, the El Monte Busway and the Artesia Transit Center into one streamlined transit service. Interruption of service or revisions to the route are not anticipated. A demonstration of this service, named BRT, is planned for June 2009, with no fiscal impact. A public hearing will be held on February 2009 to introduce the service and receive customer comments.

Member Lantz noted that the El Monte Busway is already overcrowded and inquired how this strategy would quicken the commute. Mr. Page advised that the Congestion Pricing Program would increase mph speeds in HOV lanes, which are currently at 45 mph, and that CalTrans is conducting a study on the creation of a second lane.

Ms. Wiggins added that there was physical capacity to restripe a second lane on the El Monte Busway between the 605 and the 710. The lane proposed for restriping is an Enforcement Zone that is currently used by the CHP, therefore, no existing lanes are being appropriated. The Toll would increase as congestion increases, and the highest number of automobiles on the Busway occurs when speeds reach 45-50 mph.

President Delach requested clarification on the proposed second lane, and whether one lane would be allocated for buses and one for automobiles. Ms. Wiggins advised that allocations have not been decided on, and that CalTrans may conduct an allocation analysis.

Following discussion, the Executive Board received and filed the update on the U.S. Department of Transportation's (USDOT) Los Angeles County Congestion Reduction Demonstration Initiative Update and directed staff to proceed with the development of services proposed under this initiative.

Motion: Member Chandler, seconded by President Delach
Vote: Unanimously carried

TRANSIT ACCESS PASS (TAP) FAREBOX REPORT

President Delach concurred with Member Lantz that this item be pulled from the Agenda and that a special study session be scheduled in November for a comprehensive discussion on

the subject.

Motion: President Delach, seconded by Vice President De La Torre
Vote: Unanimously carried

PERFORMANCE INDICATORS REPORT – SEPTEMBER 2008

Dietter Aragon, Planning Manager, reported on the Performance Indicators report for the month of September. It provides an analysis of Foothill Transit's nine key indicators on a month-to-month basis. Data is collected from a variety of sources such as bus fareboxes on buses; contractor reported data, and financial performance data.

- Boardings – Overall boardings recorded by the farebox for September was 1,385,427. This total is 13.1 percent above the previous year's ridership.
- Fare Revenue - Total fare revenue for September was \$1,451,935, resulting in an average fare of \$1.05 per boarding. This is an increase of 16.6 percent over last year's fare revenue.
- Operating Expenses – Total operating expenses for September were \$5,962,285, resulting in an average cost per service hour of \$93.52, which is below the Fiscal Year 2009 target.
- Accidents – There was only one preventable accident in September for an average of 0.08 accidents per 100,000 miles, representing 11 fewer preventable accidents than in September 2007.
- Customer Complaints – Foothill Transit recorded 6.21 complaints per 100,000 boardings for September, well below the performance target of 7.5 complaints per 100,000 boardings.
- Schedule Adherence - 79.3 percent of all trips surveyed in September were on-time. This is a 2.3 percent increase when compared to September 2007.

Following discussion, the Executive Board received and filed the September 2008 Performance Indicators Report.

Motion: Member Storing, seconded by Vice President De La Torre
Vote: Unanimously carried

TRANSIT STORE QUARTERLY REPORT – JULY THROUGH SEPTEMBER 2008

Araceli Lopez, Transit Store Operations Manager, reported on Transit Store sales for the first Quarter of FY2008-09 in comparison to the previous Fiscal Year. FY 09 first quarter pass sales were higher when compared to the same period in FY 08, totaling \$1,617,392. Transit Store staff continues to maintain the average hold time at under one minute with the overall average handling time of calls at one minute and 59 seconds. Walk-in traffic was higher when compared to the same period in FY 08, totaling 89,653 in FY 09.

1. Phone Activity: During the first quarter of FY 09 Transit Store staff handled 46,237 phone calls, maintaining the average hold time at just under one minute.
2. Pass Sales: Total sales during the first quarter of FY09 were higher at \$1,617,392

compared to the same period in FY08 which totaled \$1,358,684. The increase may be attributed to students returning to class for the Fall session.

3. Walk-In Traffic: Total walk-in traffic recorded for all stores this Quarter was 89,653, an increase of 48% when compared to the same period in FY08, which totaled 46,492.

The Executive Board received and filed the Transit Store Quarterly Report for July through September 2008.

Motion: Member Chandler, seconded by Member Storing
Vote: Unanimously carried

FINANCIAL BANKING SECURITY

Richard Hasenohrl, Director of Finance, reported that Foothill Transit currently has cash totaling approximately \$18 million on deposit in the Bank of the West in savings accounts, checking accounts, and in a money market account. Another \$17 million is on deposit in the Local Agency Investment Fund (LAIF). On October 14, 2008 the FDIC insurance was raised to \$250,000 per account; since Foothill Transit's account far exceeds that amount the remaining monies are collateralized per California Government Code, section 53600.

Bank of the West uses Wells Fargo Bank to hold the pledged securities for the public funds held by them. The current makeup of the pledged securities is comprised of Agency notes/bonds, US Treasury notes, Municipal Bonds, Corporate asset backed securities and mortgage backed securities. These assets would be transferred to the public entity should the banking institution become insolvent.

The LAIF deposits are not insured, but are backed by the investments purchased by LAIF. The exposure would be the potential loss in value of LAIF's investments. The large size of the investment pool and its diversification would minimize potential losses resulting from any decreased market value of some investments. Losses because of fraud or illegal acts of employees are insured by the State.

The Executive Board received and filed the report on the status of Foothill Transit's Financial Banking Security.

Motion: President Delach, seconded by Vice President De La Torre
Vote: Unanimously carried

EXECUTIVE DIRECTOR COMMENT

Doran Barnes announced that a Special Governing Board meeting is scheduled on October 30, 2008 to replace the Cluster breakfast.

BOARD MEMBER COMMENT

There was none.

**CLOSED SESSION: CONFERENCE WITH LEGAL CONSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to Government Code Section 54956.9 (c): One Case**

The Executive Board recessed at 11:10 a.m. to Closed Session.

The Executive Board reconvened at 11:25 a.m. from Closed Session.

Darold Pieper, General Counsel, announced that no reportable action was taken in Closed Session.

ADJOURNMENT

President Delach announced that the next scheduled meeting on November 28, 2008 is canceled, however, a Special Meeting is scheduled on November 18, 2008. Also, the next regularly scheduled Executive Board meeting is on December 12, 2008.

There being no further business, the Executive Board adjourned at 11:26 a.m.